THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI ASHOK PRADHAN): (a) and (b) Sir, MTNL as Navratna Company is permitted to enter into Joint Ventures both in India and abroad. Following steps have been taken to expand its network and improve its financial condition :—

(i) MTNL has formed a joint venture company in the name of United Telecom Limited with Telecom Consultants India Limited (TCIL), Videsh Sanchar Nigam Limited (VSNL) and Nepal Ventures (P) Ltd. (NVPL-a Nepalese Company). The company is operational since 10th October, 2001 for providing WLL based basic services in Nepal.

(ii) MTNL is in the process of getting feasibility and due diligence for a second Telecom operator in Mauritius.

(iii) MTNL also plans to operate in Kenya as a Second Telecom Operator.

(iv) MTNL has joined a consortium of TCIL India, alongwith a local partner in Malawi and has bid for buying equity stake during privatization process of Malawi Telecom Limited (MTL).

(v) MTNL has finalized interconnect agreement with Videsh Sanchar Nigam for the year 2003-04 for International Long Distance (ILD) and National Long Distance (NLD) Services.

Increase in Service tax for Prepaid card

2599. SHRIMATI AMBIKA SONI:
SHRI SANTOSH BAGRODIA:
SHRI GHULAM NABI AZAD :

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state :

(a) whether there has been an increase in service tax for prepaid card by private cell phone operators;

(b) if so, the details thereof;

(c) whether hikes in service tax by private cell operators are in accordance with TRAI; and

(d) if so, the details of hike in service tax in the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI ASHOK PRADHAN) : (a) to (d) Sir, Service Tax on all Telecom Service including the prepaid card sold by private Cellular Mobile Telephone Service (CMTS) Licensees is as per the rate fixed by the Union Government and not by TRAI. The Service Tax on Telecom Service which was earlier 5% has been increased to 8% by the Finance Bill of 2003. As intimated by Cellular Operators Association of India on behalf of CMTS Operators, they are levying the same prescribed Service Tax for prepaid cards.

Food Subsidy to FCI

2600. SHRI YADLAPATI VENKAT RAO: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state :

(a) the amount of food subsidy given by Government during the last two years, year-wise;

(b) in what manner the subsidy has been utilised by the Food Corporation of India; and

(c) the amount of foodgrains lost in transit during the period?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) The amount of food subsidy released by the Government of India to the Food Corporation of India (FCI) as well as to the various State Governments for undertaking Decentralised Procurement Scheme during the last two years are as under:—

(Rs. in crore)

Year	FCI	States	Amount
2001-02	16724.00	770.00	17494.00
2002-03	22673.72	1502.73	24176.45